GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3019
ANSWERED ON:10.08.2000
SUBSIDY SAVING
CHANDRESH PATEL KORDIA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

the amount of subsidy saved annually if gas was made available to the gas-based fertilizer units and Naphtha for Naphtha based units at international prices?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS)

While natural gas is not internationally traded, prices of gas in natural gas producing countries differ from country to country. Naphtha is, however, an internationally traded commodity where also the prices differ from time to time depending on the international demand and supply position and other factors. In fact, the prices of gas and naphtha to fertilizer companies within the country also differ depending on the location, international prices and other factors from unit to unit. It will be, therefore, difficult to make a reasonable assessment about savings in subsidy if these commodities could be made available to Indian fertilizer units at international prices.